

March 15, 2001

Mr. William Howell, PILT Specialist
Budget and Finance Team
Bureau of Land Management (WO-880)
1849 C Street, N.W., MS 1025 - L Street
Washington, D.C. 20240-9998

Dear Mr. Howell:

In compliance with Chapter 69, Title 31 U.S. Code, § 6901-6907, commonly referred to as the Payments in Lieu of Taxes (PILT) Act, we are enclosing four copies of the following:

[Attachment 1](#) Statement of Federal Land Payments during the period
October 1, 1999 through September 30, 2000

[Attachment 2](#) Code of Virginia Chapter 8, Public School Funds, Article 3
§ 22.1-108, *Money derived from forest reserve*

The Timber Payments to individual localities differed from the amounts on the USDA Financial Management Report, "Payments to States from National Forest Receipts," due to a manual calculation error. As explained in Note 1 on the Schedule of Federal Land Payments, these differences will be corrected during the federal fiscal year 2001 disbursements.

The amount reported for Minerals Management Service Payments will not match the amount reported in Enclosure 2 of the PILT reporting requirements. This difference results from the actual revenue received differing from the revenue reported on the PILT Enclosure 2, timing of our state's distributions to the counties, and interest income disbursed to the localities. There is an explanation in the Note 2 on the Schedule of Federal Land Payments.

Should you have any questions concerning the report, please contact Bill Cole, Deputy Auditor, at (804) 225-3350.

AUDITOR OF PUBLIC ACCOUNTS

WJK:whc

cc: The Honorable James S. Gilmore, III
Marie Williams, Department of Education
Francis Campbell, Department of Environmental Quality

COMMONWEALTH OF VIRGINIA
STATEMENT OF FEDERAL LAND PAYMENTS
For the Period October 1, 1999 through September 30, 2000

Governmental Unit	Timber Payments	Minerals Management Service Payments	FERC Power Sales	Total Recommended for Acceptance
Alleghany County	\$ 55,493	\$ -	\$ -	\$ 55,493
Amherst County	22,614	-	-	22,614
Augusta County	76,581	-	-	76,581
Bath County	67,926	-	17,030	84,956
Bedford County	7,457	1,447	76	8,980
Bland County	29,400	5,678	-	35,078
Botetourt County	32,060	5,229	-	37,289
Carroll County	2,888	561	-	3,449
Craig County	45,623	8,961	-	54,584
Dickenson County	3,821	768	-	4,589
Frederick County	1,931	-	-	1,931
Giles County	25,124	4,873	-	29,997
Grayson County	13,113	2,544	-	15,657
Highland County	22,784	-	-	22,784
Lee County	4,493	872	-	5,365
Montgomery County	7,712	1,496	-	9,208
Nelson County	7,695	-	-	7,695
Page County	10,590	-	-	10,590
Pulaski County	7,646	1,484	-	9,130
Roanoke County	1,237	239	-	1,476
Rockbridge County	26,234	1,640	-	27,874
Rockingham County	54,684	-	-	54,684
Scott County	13,708	2,660	-	16,368
Shenandoah County	29,636	-	-	29,636
Smyth County	29,521	5,727	-	35,248
Tazewell County	3,886	754	-	4,640
Warren County	2,460	-	-	2,460
Washington County	8,840	1,715	-	10,555
Wise County	14,379	2,790	-	17,169
Wythe County	23,115	4,484	-	27,599
Total	<u>\$ 652,651</u>	<u>\$ 53,922</u>	<u>\$ 17,106</u>	<u>\$ 723,679</u>

Note 1: Timber Payment disbursements to localities agree in total to the PILT on Enclosure 2; however, during federal fiscal year 2000, amounts paid to localities differed from the amounts on the USDA Financial Management Report, "Payments to States from National Forest Receipts." These differences were due to a manual calculation error, which will be corrected during the federal fiscal year 2001 disbursements.

Note 2: The amount reported for Minerals Management Service Payments on Enclosure 2 from the Department of the Interior was \$53,000. Actual cash payments received during federal fiscal year 2000 were \$53,729. The amount disbursed of \$53,992, exceeds receipts by \$194, which is comprised of \$141 in timing differences and \$53 in interest income passed on to the localities. In addition, there were differences in the

amounts paid to localities due to the immaterial amounts due to some localities. The Department of Environmental Quality is tracking these differences for future disbursements.

§ 22.1-108. **Money derived from forest reserve** – All federal funds paid to the Commonwealth arising from the forest reserve shall be paid to the State Treasurer to be distributed and disposed of as provided in this section.

The Treasurer of each school division within whose boundaries there is located any land owned by the United States Government and held as a forest reserve shall ascertain the area of such land so situated in the school division and the reserve in which the same is located and make a report thereof to the Comptroller. Upon receipt of such information from the Treasurer, the Comptroller shall apportion all federal funds arising from such forest reserve among the school divisions in which such forest reserve is located according to the area in each school division. The Comptroller shall keep separate accounts of all federal forest reserve funds received by him. (Code 1950, § 22-119; 1960, c. 463; 1980, c. 559.)